



STAFF REPORT

JOINT STUDY SESSION REGARDING GENERAL PLAN UPDATE - LAND USE POLICY AMENDMENTS FOR THE “DOWNTOWN VILLAGE AREAS”, ECONOMIC DEVELOPMENT TARGET SITES, AND DOWNTOWN SPECIFIC PLAN AREA (DTSP)

Honorable Mayor and Council Members:

Summary

This joint study session focuses on General Plan Update policy issues involved in revised zoning regulations for the “Downtown Village Areas”, Economic Development Target Sites, and the Downtown Specific Plan Area (DTSP). The purpose of the session is to hear input and direction from the City’s decision-makers. No decisions are to be made at this point.

There are many issues to discuss, and both the Planning Commissioners and City Council members will have opportunities to speak. In order to have a productive meeting that does not last late into the evening, please read the materials prior to the meeting and come prepared to discuss the policy issues.

Background

Economic Development Strategy

The City of Belmont’s Economic Development Strategy includes a vision for several target sites. Three of these sites, Firehouse Square, Village Center, and Belmont Station, are in the Downtown area (Village) - See Figure 1. The City Council Economic Development Subcommittee has been working with consultants to develop a strategy that allows new development that fits in with the character of Belmont, facilitates new shops and restaurants that would contribute to the town, and is financially feasible.

The Economic Development Subcommittee toured downtowns and pedestrian shopping areas throughout the Bay Area. A bus tour to other Peninsula cities was conducted on September 15, 2007 in order for the City Council, interested public, City staff and consultants to better understand the issues and options associated with building height, massing, and design. The focus was on high-quality, new development in neighboring downtown areas. The field trip also reviewed the target sites and helped the participants to identify elements of village character, building types and styles that may be appropriate or inappropriate.

Detailed review of the existing Zoning Ordinance and Downtown Specific Plan has highlighted that these documents are confusing and inconsistent. Moreover, the regulations do not allow some of the types of development that the City desires in the Village area. The problems with

existing regulations became particularly clear when a good quality mixed-use project with retail on the ground floor and condominiums above was submitted for approval in 2006 (Belmont View, 1300 El Camino Real).

In October 2007, the City Council approved the initiation of amendments to these regulatory documents. The City Council further directed that amendments to zoning be considered for the entire length of the El Camino Real and Old County Road corridors. That rezoning effort will be brought forward for consideration separately in early 2009. The area intended to be reviewed as part of the Phase 2 of the zoning project is illustrated in Figure 2.

Discussion

Proposed Downtown Planning Documents Amendments

The goal of the Downtown Planning Documents Amendments is to update the City's planning and regulatory documents to be consistent with the City Council's goals for Belmont Village, including the three target sites. To do so, draft zoning districts are being prepared to clarify, streamline, and update land use regulations, development standards, and design guidelines for the Belmont Village area. New development standards and design guidelines will be added to existing regulations to achieve the desired quality and character in development projects. Proposals to allow greater building height and density with extensive design review and/or conditional use permits will also be considered, in order to establish incentives for new projects that achieve the City's goals for retail, restaurants, and downtown vitality. The new zoning districts will provide a single location that contains all development regulations for the Village.

The Downtown Specific Plan (DTSP) will still exist, but will no longer be a regulatory document; provisions would be added to the DTSP to clarify the guideline status of its provisions. This will resolve issues that have arisen regarding conflicts between the zoning and the DTSP.

The City's consultants, Dyett & Bhatia, are also preparing the environmental review document for the proposed zoning and Planning Documents amendments. Three potential development scenarios will be reviewed, based on estimated amounts of development for the three Economic Development Target Sites within the Village area. A mitigated negative declaration is anticipated to be the appropriate document; and will include a Transportation Impact Analysis Report. Preliminary analysis indicates that the level of traffic from the potential development scenarios will not contribute significantly to the projected traffic levels of service in 2020.

Policy Issues

Background

- Downtown Belmont is a small village area that is much enjoyed by the community. The City has put a great deal of effort and funding into development of the retail projects at the corner

of Ralston and El Camino, and near the Safeway store. However most of the buildings are old, and have not been renovated in many years. Also, there is no public plaza, no “heart of the village.” The City has prepared drawings for new development describing the desired future character for the Economic Development Target Sites. Illustrations of the potential future development at each target site are attached.

- The current regulatory structure has discouraged new development. No multi-story or mixed-use development has happened in the DTSP area since the plan was adopted. The City Council and staff have identified the need for an economic development program to attract new development into Downtown and revise existing planning regulations.
- The City needs to attract retail and restaurant uses that add vitality and provide desired services in the Downtown. Other peninsula downtowns have been very successful in this regard – such as Burlingame, San Carlos, Menlo Park, and Palo Alto. They have achieved active downtown areas where people stroll, window shop, go out to eat, and relax in attractive plazas and outdoor cafes. Belmont has lagged behind. Belmont residents often go out of town for restaurants and services, and the sales tax dollars are collected in other cities. Attracting new retail and restaurants is a benefit for residents. Sales tax is also important for the fiscal stability for the City.
- The ability to add residential development on upper floors is a key incentive for new development, because there is no financial incentive to tear down older buildings and build new ones unless the costs pencil out and there is some economic return. Upper floor residential development is typically critical to covering the costs of new construction, particularly where underground parking is involved. Upper floor residential development is currently not allowed in the CBD area, nor is it allowed in the C1 commercial areas. In other areas, the floor area ratio limits have been interpreted to limit upper floor residential development to far lower residential densities than are permitted in the zoning.
- Zoning and development regulations can set the stage; they are critical to an economic development strategy. However the strategy also needs to involve marketing, discussions with property owners, meetings with potential developers, business attraction, and other strategies that help Belmont achieve the long-term goals for the Village.
- The most critical factor is design quality. The ED subcommittee learned on the tours that it is the design quality more than the intensity of development that matters. Design quality includes: quality materials, articulation, design of ground floor, design of sidewalk areas and public spaces.

Existing Zoning

Figure 1 illustrates the proposed Village area which will be rezoned, the Economic Development Target Sites, and the existing zoning districts. Table 1 summarizes the existing development standards for the area.

Table 1: Village Zoning

| <i>Zone</i> | | <i>Residential Uses</i> | <i>Maximum Floor Area Ratio</i> | <i>Minimum Lot Area (sq. ft.)</i> | <i>Maximum Building Height</i> |
|-------------|---|-----------------------------|--|---|--|
| A | Agriculture/Open Space | Permitted | 10% gross lot coverage | | 35 feet |
| C1 | Neighborhood Commercial | Not Permitted | 0.8 | | 28 feet |
| C2 | General Commercial | CUP Required | 0.5 Commercial; 1.0 Residential only | 7,200; 30 du/acre | 2-3 stories (40 feet) |
| CBD (C2) | DTSP Central Business District | CUP Required | 0.75 Lots > 1 acre 0.65 Lots > 0.5 acre 0.5 Lots < 0.5 acre; 1.0 Residential only | 7,200; 30 du/acre | 0-3+ stories (40 feet) |
| C/R (C2) | DTSP Commercial/Residential Mix | Permitted | 0.5 Commercial 1.0 Residential 1.5 Mixed Maximum; 1.0 Residential only | 7,200; 30 du/acre | 2-3 stories (40 feet) |
| C3 | Highway Commercial | CUP Required | 0.5 | 7,200; 30 du/acre | 0-3 stories (40 feet) |
| C4 | Service Commercial | CUP Required | 0.5 | 7,200; 30 du/acre | 3 stories (40 feet) |
| E1 | Executive Administrative | Not Permitted | 1.5 | | 35 feet |
| R2 | Duplex Residential | Permitted | 0.6 | 6,000 | 35 feet |
| R4 | Medium Density Multi-Family Residential | Permitted | 1.4 | 7,200 (30 du/acre) | 2-3 stories (40 feet) |

Source: City of Belmont Zoning Ordinance

Proposed Belmont Village Zoning

Figure 3 illustrates a draft zoning map of the proposed Belmont Village. This area will include four new districts and one existing residential district. The new zoning districts are generally based on the existing districts; however, the permitted land uses, development standards and design guidelines will be regulated in a new section of the Zoning Ordinance, Village Districts. Figure 4 illustrates areas of significant change from the existing regulations. Each district's purpose is defined as follows:

- **V-1 Reserved.** This district is reserved for future use.
- **V-2 Pedestrian Core.** The regulations for the V-2 District are intended to support the development and redevelopment of an active pedestrian-oriented village center. Retail, restaurant, and commercial service uses are the predominant uses on the ground floor. Public plazas and sidewalk areas with pedestrian amenities are provided. Office and residential uses are located on upper floors. The V-2 District also provides for hotel and entertainment uses. This district replaces the existing C2, C/R, CBD, C1, and E1 districts.
- **V-3 Corridors.** The V-3 District recognizes El Camino Real, Ralston Avenue and Old County Road as major transportation corridors within the Village. The regulations in this district are intended to provide a range of community and regional commercial uses, including auto-oriented uses, while supporting alternative modes of travel. Office and residential uses are allowed, particularly above the ground floor. Sidewalk areas are designed to be pedestrian-oriented, with street trees, street furniture, and other amenities. This district replaces the existing C3 and A Districts.
- **V-4 Mixed Use Commercial.** The V-4 District is intended to maintain and encourage a mix of retail, restaurant, office, commercial service, and public uses. Residential uses are allowed on upper floors. This district replaces the existing C4 district.
- **V-R Residential Mixed Use.** The V-R District is intended to provide for residential mixed use development which supports an active and vibrant Belmont Village by creating additional unique housing opportunities within the Village area. This district allows for a variety of housing types, such as small lot single family, live/work units, townhouses, condos, and apartments. In addition, certain retail and commercial service uses will be allowed on the ground floor. This district replaces the existing R4 district.
- **R-2 Duplex Residential.** No changes are being presented for the R2 District at this time.

Key Policy Issues for Discussion

1. Currently, a conditional use permit is required for all new buildings or additions. Should a CUP continue to be required?
 - Requiring a conditional use permit discourages new development, and signals to developers and property owners that new additions and buildings are not desirable in the eyes of the City.

- The design review process could be used instead, which gives the City complete control over the building configuration and design. Design review of major projects could require Council approval, in addition to Planning Commission review.
2. What are the appropriate height limits for Belmont Village?
 - Currently the maximum height limits established in the zoning are 40 feet; however there are additional height limits established in the DTSP that are much lower, ranging from 0-3 stories. In existing C-1 zoned areas, building height is limited to 28 feet.
 - On the bus tour of Peninsula cities, participants saw buildings that were 3 to 5 stories that were well designed, which people thought could fit in well in Downtown Belmont. There were differing opinions about the exact appropriate height limit – should it be 3, 4, or 5 stories or a specific number of feet?
 - There were also different opinions about whether upper floors (above two stories) needed to step back from the street, as is called for in the DTSP. Most people felt that it depended on the exact location and the quality of the building design, and that the existing regulations may be overly restrictive. Should step-backs be required?
 3. Should the development standards allow mixed-use projects to combine the currently allowed development of commercial uses and residential uses?
 - Existing floor area ratio limits have been interpreted such that buildings with residential uses cannot exceed the current floor area ratio limits (0.5 to 1.5), which in effect means that three-story mixed-use buildings are not permitted.
 - The zoning regulations could be clarified to allow projects to combine the floor area limits for commercial uses and the residential density limits for residential uses. Maximum building height limits and other building form regulations would still apply.
 4. Existing floor area ratios range from 0.5 to 1.5. This standard precludes development of buildings such as the one recently approved at El Camino Real and O'Neill Avenue, which has an FAR of 2.2; and could preclude other new 2-3 story office buildings. Should the development standards within the new zoning districts be revised to allow greater total floor area?
 - Example #1: 0.5 to 1.0 commercial floor area ratio (FAR) by right with design review (the current limit), and a conditional use permit and design review would be required for projects up to 2.5 FAR.
 - Example #2: 2.5 FAR allowed by right with design review.
 5. Should residential uses above the ground floor be allowed by right or with a conditional use permit throughout the Village area?
 - Currently residential uses are not permitted in the C1 district and require a CUP in all other areas.
 - Residential uses would provide a financial incentive for new projects, and new residential units would add vitality in the village by having people who are coming and going throughout the day and evening.

6. Existing residential density limits are 30 units per acre. Should the development standards for residential density be increased? Some projects in other downtowns exceed that density, while still being within a 3 to 4 story height limit and demonstrating top quality design.
 - Example #1: 30 residential units per acre by right with design review only and up to 45 units per acre with a conditional use permit and design review.
 - Example #2: 45 residential units per acre by right with design review only.
 - Example #3: 2.5 FAR, combined with height limits and design review; density of units is not regulated.
7. Should the zoning in the C-4 areas along Old County Road be changed to allow residential development on upper floors, and encourage redevelopment of sites with older auto repair and industrial businesses; or should this area remain an area for these types of service commercial businesses in the future? In either case, existing businesses are always permitted to remain until they voluntarily vacate the premises. The discussion pertains to new businesses and new development.
 - At this time, auto repair shops require a conditional use permit to locate within the C3 and C-4 Districts. In addition each such use must meet six conditions of use, which include a minimum 500 feet separation from another similar use.
8. Should the off-street parking requirements be reduced in the Village area to encourage alternative transportation options and support new development?
 - Example #1: Only within walking distance of the train station (currently within 300 feet of the station, a 25% reduction may be granted.)
 - Example #2: 15% reduction for the entire Village area
 - Example #3: 20% reduction for the entire Village area

At the end of tonight's study session, we would like each Councilperson and Planning Commissioner to summarize in 2-3 minutes their primary comments and concerns relative to new development in Belmont Village and the proposals being put forward for discussion at this time.

Public Review Process

The proposed public review process to consider and discuss proposed zoning for Belmont Village is described below. The City Council & Planning Commission should provide direction regarding revisions or additions to the proposed planning process.

1. Community Wide Meeting
 - Public Notice – Potential outlets for public noticing include (but are not limited to) the City newsletter, local newspaper, City mailing lists, plus City boards and commission members, and business groups
 - All Planning Commissioners will be requested to attend and help facilitate.
 - Other board members and commissioners may be specifically requested to attend.
2. Meetings with individual property owners

3. Meetings with regional developers
4. Planning Commission Study Session
5. City Council Study Session
6. Planning Commission Hearing(s)
7. City Council Hearing(s)

General Plan/Vision Statement

Review of this matter is consistent with the General Plan and Vision Statement.

Fiscal Impact

None at this time.

Public Contact

This matter was placed on the agenda and posted as required by the California Government Code.

Recommendation

There are no specific decisions required at this time. Staff requests the City Council and Planning Commission clarify policy direction regarding the issues (see Pages 5-7) raised in the staff report.

Alternatives

1. Provide guidance to staff regarding any alternative course of action regarding the land use policy amendments as described in the staff report.

Attachments (All attachments can be viewed on the Web)

- A. Figure 1 – Existing Belmont Village Zoning
- B. Figure 2 – Belmont Planning Documents Amendments – Phase 1 & 2
- C. Figure 3 – Belmont Village Zoning – Proposed
- D. Figure 4 – Belmont Village Zoning – Highlighted Areas
- E. Power Point Presentation

Respectfully submitted,

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